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FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)

800 Data Base Access Tariffs)

and the)

800 Service Management System Tariff)

CC Docket No. 93-129

Rebuttal of GVNW, Inc.\Management and Union Telephone Company

GVNW, Inc.\Management and Union Telephone Company
(collectively "the GVNW carriers") hereby submit their rebuttal to
comments filed in response to the Direct Cases filed in the
Commission's investigation into 800 database service tariffs.¹

This reply responds to three issues raised in MCI's comments:
1) whether the GVNW carriers' 800 database tariffs have provided
for proper tariff treatment of query charges when a rate of return
carrier purchases query service from the tariff of a neighboring
LEC; 2) whether the GVNW carriers' Direct Case provided reasonable
estimates for unbillable queries in calculating demand; 3) whether
the GVNW carriers' Direct Case should have provided further
justification regarding tariff terms and conditions.

Summarily, the GVNW carriers submit that MCI's comments
identify no issue which would justify a continuing expenditure of
FCC resources in investigating the GVNW carriers' tariffs. Rather,
the record thus far demonstrates that the GVNW carriers' tariffs
fully comply with the Communications Act and the FCC's rules.

¹ See, e.g., In the Matter of 800 Database Access Tariffs and
the 800 SMS Tariff, CC Docket 93-129, July 19, 1993 (800
Designation Order)

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I. GVNW's Direct Case Affirmed that All GVNW Carriers Pass Through Other Carriers' Tariff Rates Where Appropriate

MCI's Comments argue (without referring to the GVNW carriers specifically) that rate of return carriers who purchase query service from the tariffs of neighboring LECs have "failed to address the question of how to handle the tariffing of these queries." MCI argues that "all carriers who provide query service from neighboring carriers must be required to pass through any rate changes to their end users." MCI Comments, p. 48.

The GVNW carriers did in fact address this issue in its original filing, and in its Direct Case. As GVNW noted in its Direct Case filing, all GVNW carriers subscribing to the 800 database services of neighboring LECs pass through the tariff rate of that LEC for 800 data base queries. GVNW Direct Case, p. 3. Any change in the cost of the query service will, as with all other changes in cost, be passed on to end users through the GVNW carriers' tariff. Accordingly, MCI's concerns do not apply to the tariffs of the GVNW carriers.

The GVNW carriers request, however, that MCI's request be rejected to the extent that MCI may be seeking to impose tariff filing requirements on small rate of return LECs beyond those provided for in the Commission's rules. Changes in the costs of providing access service, including the costs of query service, occur naturally throughout the annual tariff cycle as suppliers and other service providers change their prices. The Commission has never required, and should not require, that access providers

refile tariffs every time there are increases or decreases in these costs.

Rather, the Commission has determined that a review of these costs, and an appropriate adjustment to tariffed rates is required once every two years. Moreover, the Commission's rules contemplate that tariffs represent prospective estimates as to appropriate rates, not precise reflections as to actual costs. See generally 47 C.F.R. § 69.3. The GVNW carriers submit that there is no basis for a departure from the Commission's rules in this instance, especially where it would create extensive administrative burdens for small rate of return LECs.²

II. The GVNW Carriers' Tariffs Were Based on Demand Estimates Which Were Reasonable Based on the Information Available.

As noted in the GVNW Direct Case, certain GVNW carriers, including Union Telephone Company, have chosen to utilize unregulated service providers to obtain query service. In this case, these carriers developed rates based on the cost of service plus an allowance for the cost of transporting queries associated with uncompleted calls. GVNW Direct Case, p. 5. MCI argues that "[m]any rate of return carriers fail to address the issue of unbillable query estimation techniques," even though the Commission's Order required that carriers estimate their unbillable queries and provide justification for these estimates. See MCI

² GVNW recognizes, of course, that a revised tariff filing may be necessary to ensure compliance with the Commission's orders should any of the underlying provider's rates be adjusted pursuant to this investigation. See GVNW Direct Case, p. 8.

Comments, p. 47.

GVNW's Direct Case did provide an estimate, and a justification for this estimate.³ GVNW believes that its demand estimate is reasonable under the circumstances. Although GVNW's estimate is subject to revision as experience is gathered, this is the inherent nature of all demand estimates. Moreover, as 800 database service is a new service, it was not possible to track percentages or volume of unbillable 800 calls before GVNW developed its rates. While MCI takes issue with carriers utilizing their "judgment," MCI Comments at p. 46, it is precisely this sort of reasoned judgment which forms the basis of rate development in these circumstances.

Accordingly, the GVNW carriers submit that while experience may indicate that revisions to its estimate are needed, that fact does not justify further investigation into its tariff. Rather, the GVNW carriers will make appropriate adjustments to its rates in the normal course, as further information is gathered. The GVNW carriers point to MCI's example of Centel's reduction in its estimate as precisely the type of action the GVNW carriers contemplate should their experience warrant a similar reduction. See MCI Comments, p. 47. The GVNW carriers urge the Commission to allow the normal course of rate development to proceed, and not to arbitrarily impose its "judgment" for that of the carriers by further investigation of these tariffs.

³ GVNW estimated that 15% of all queries would be unbillable to the end user.

III. Further Investigation Regarding The Terms and Conditions of the GVNW Carriers' Tariff is Unnecessary

As noted in MCI's Comments, some parties have raised a number of issues regarding terms and conditions in the 800 database tariffs. MCI Comments, p. 49; see 800 Designation Order, at para. 6. MCI requests that the Commission require the LECs to incorporate reasonable terms and conditions in their tariffs, noting that a number of carriers, including GVNW, fail to address this issue. MCI Comments at p. 49; Id., at 50, n. 142. MCI appears to suggest that further investigation of the GVNW carriers' tariff is required because of a failure to comply with the directives of the FCC's investigation Order.

The GVNW carriers submit that, contrary to MCI's suggestion, the Commission's Order merely "invited" comment from interested parties, and did not direct that all LECs respond to the issues raised with respect to tariff terms and conditions. See 800 Designation Order, para. 6. Additionally, the terms and conditions utilized in the GVNW carriers' tariff mirror the language developed by NECA. In its Direct Case, therefore, GVNW sought to avoid redundant argument and explanation with respect to these terms and conditions, and instead chose to let NECA's explanation of these terms and conditions speak for itself.

MCI's comments have not identified any new issue with respect to the terms and conditions of the 800 database tariffs. GVNW continues to stand by the original language in its tariff

describing the query process and rate application of an 800 database query charge. Most importantly, MCI is simply wrong to suggest that GVNW's Direct Case somehow failed to comply with the FCC's Order by not providing further argument in support of this language.

CONCLUSION

MCI's Comments fail to demonstrate that the GVNW carriers' tariffs are unjust or unreasonable under the Communications Act or the Commission's rules and policies. Accordingly, the GVNW carriers' submit that the FCC should close this investigation with respect to their tariff.

Respectfully submitted,

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